EXHABIT	Γ	
DATE	2/17	109
HB 59	7	

TESTIMONY ON BEHALF OF MONTANA PORK PRODUCERS COUNCIL BEFORE THE HOUSE COMMITTEE ON AGRICULTURE ON THE BILL 551

February 17, 2009

Mr. Chairman and members of the Committee, we thank you for the opportunity to represent the needs of our producer membership in opposing this bill.

The Montana Pork Producers Council has served pork producer interests since its inception in 1958, at that time under the name of the Montana Swine Growers Association. Since then, many changes have occurred within the industry as a result of changing agricultural policies and trade. We are a highly viable industry, contributing to the local economies throughout the state.

Currently, our Montana industry consists of 490 hog operations (MT NASS data), marketing roughly \$30 million dollars in gross receipts for 2008. Several factors set our Council apart from other livestock industry groups within Montana. Over 85% percent of hogs marketed originate from the Hutterite Colonies. This is the highest such production ratio of any state in the nation. Our producers rely heavily upon Asian and natural food niche markets, which require the transport of live hogs to surrounding states.

The following statements highlight our major concerns for HB 551:

We believe that the NAIS system <u>can</u> provide coherent and cohesive information to emergency personnel in the event of an animal disease outbreak. This is just as necessary to provide business continuity to operations not affected by the situation as it is to pinpoint and assist the affected operations.

Currently, Montana producers are required to obtain a premise identification to participate in the voluntary Pork Quality Assurance Plus program administered by the National Pork Board. This program receives widespread support from the industry and is viewed by our packers as a dramatic advantage in industry structure. Producer and consumer confidence in the security of the agriculture industry relies directly on its ability to respond to outside impacts in a timely and well-organized manner. We believe that it is possible to implement such a system without sacrificing the privacy of today's producer.

As mentioned in introduction, the majority of all hogs produced in the state are shipped out of state for processing. If Montana chooses not to fully participate in the NAIS program, the ability to move swine across state lines will be adversely affected. States who participate in the national animal id system will begin to require source verification on certificates of veterinary inspection and interstate movement reports.

We believe that a thriving industry in Montana and the US is directly tied to the diversity of production and marketing options available to its producers. Limiting these choices by prohibiting packers from mandating compliance with source verification, if they so choose, limits the potential of a producer to earn additional premiums in the marketplace.

For example, 100% of the Montana producers contracting with Salmon Creek Farms Natural Pork, a subsidiary of Independent Meat Company in Twin Falls, Idaho, participate in the PQA Plus Program. This bill's effort to protect our family-farm producers would trigger an avalanche of issues surrounding their quality assurance certifications that have nothing to do with animal care and everything to do with legislative politics. It is important to remember that these farms voluntarily participate in this marketing program and do so proudly.

We thank you for the Committee's willingness to receive input from Montana's pork producers and plan to continue our relationship with those representing us.

Questions may be directed to:

Anne Miller
Executive Director
Montana Pork Producers Council
(406) 557-2982 Phone
(406) 557-2981 Fax
mtpork@midrivers.com Email

Don Herzog President Montana Pork Producers Council (406) 663-2112 Phone (406) 663-2134 Fax